

## KANSAS RACING AND GAMING COMMISSION

### MINUTES – SEPTEMBER 09, 2022

CALL TO ORDER  
(A.)

Chairman David Moses called the September 09, 2022, meeting to order at 10:00 a.m. The meeting was held at the Topeka and Shawnee County Public Library in Topeka, Kansas. Notice of this meeting was given to the public via the KRGC and Public Square websites. Commissioners Brandon Jones, Larry Turnquist, Kelly Kultala, and Sheryl Spalding were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Security Roger Bailey, Director of Sports Wagering Todd Allen, Director of IT&C-s Dennis Bachman, and other staff.

MOTION, APPROVE  
AGENDA  
(B.)

Executive Director Don Brownlee stated that the VEP Forfeiture Hearing was moved from agenda item J to section K, Other Business.

Commissioner Spalding (Turnquist) moved to approve the agenda as amended. Motion carried 5-0.

MOTION, APPROVE  
July 22, 2022  
MEETING MINUTES  
(C.)

Commissioner Kultala (Spalding) moved to approve the minutes of the August 12, 2022 meeting. Motion carried 5-0.

MOTION, APPROVE  
CONSENT AGENDA  
(D.)

Commissioner Turnquist (Jones) moved to approve the consent agenda (four items). Motion carried 5-0.

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; BOOT  
HILL CASINO & RESORT  
(E.1.a.)

Ryan Deutsch, Assistant General Manager, reported:

- August 2022 revenue numbers compared to August 2021:
  - Total gaming revenue down 1.74%
  - Total slot revenue down 0.56%
  - Table games revenue down 12.82%
- Events and Promotions:
  - Weekly Kiosk Games
  - Weekly Food and Beverage Specials
  - Gift Promotions
  - Rushing for Riches Game
  - VIP Promotions
  - Labor Day Specials and Promotions
- Upcoming Entertainment & Events
  - Jo Dee Messina – September 16
  - Amanda Miguel & Ana Victoria – October 14

- Los Angeles Azules – October 23
- Jake Owen – November 5
- Gloria Trevi – November 6
- Los Chicos de 512 – November 18
- Sports Wagering
  - Launched digital platform with Draft Kings – September 1<sup>st</sup>
  - Currently focused on getting the temporary retail book out, anticipating this will be done in early October.
  - Sports wagering related renovations are anticipated to be completed in January of 2023
  - The most bet on game was the Kansas City Chiefs vs Arizona Cardinals.
- Since August 12<sup>th</sup>, there have been 3 positive cases of COVID-19

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
STAR  
(E.2.a.)

Alli Bair, Director of Operations, reported:

- Admissions down 15.7% compared to August 2021
- August 2022 revenue numbers compared to August 2021:
  - Total gross gaming revenue down 8.0%
  - Slot coin-in down 7.2%
  - Slot hold down 0.1 pts
  - Table games drop up 0.8%
  - Table games hold up 1.2 pts
- Past Events and Promotions:
  - Ted Nugent – August 5, 2022
  - Brantley Gilbert – September 2, 2022
- Upcoming Events and Promotions:
  - VIP Blazing Hotseats – September 15 & 29, 2022
  - Oak Ridge Boys – September 23, 2022
  - Frozen Face-Off – September 24, 2022
  - Third Eye Blind – October 22, 2022
  - National Final Steer Roping – November 4-5, 2022
  - Farm Expo Trade Show – December 1-3, 2022
- Sports Wagering
  - Launched mobile platform, with FanDuel, and opened temporary sports book on September 1, 2022
- Since August 1<sup>st</sup>, there have been 16 positive cases of COVID-19

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS;  
HOLLYWOOD CASINO AT  
KANSAS SPEEDWAY

Lydia Garvey, Vice President & General Manager, reported:

- Admissions were down 5.5% compared to August 2021
- August 2022 revenue numbers compared to August 2021:
  - Total gross gaming revenue increase 7.1%
  - Slot revenue up 5.4%

(E.3.a.)

- Table games revenue up 25.4%
- Recent/Upcoming Events and Promotions:
  - September 1 – Barstool Sportsbook Grand Opening
  - September 9 – Hollywood Casino 400 Drawing
  - September 11 – Hollywood Casino 400 NASCAR race
  - September 15 – KC Chiefs Home Opener Watch Party
  - September 16 – Sizzlin September Slot Tournament
  - September 24 – Winners Party
  - September 30 – Groceries for a Year
  - October 1 - \$30K Slot Tournament
  - October 6 – Football Punch Board
  - October 7 – Money Booth
- Sports Wagering
  - Opened the temporary retail location on September 1<sup>st</sup>, 2022.
  - Governor Kelly visited the casino to place the first bet, betting \$15 for the Kansas City Chiefs to win the Super Bowl.
- In the month of September, there have been 4 positive cases of COVID-19.

LOTTERY GAMING  
FACILITY  
REPORTS/ITEMS; KANSAS  
CROSSING CASINO  
(E.4.a.)

Jeff McKain, General Manager, reported:

- Admissions up 2% compared to August 2021
- August 2022 revenue numbers compared to August 2021:
  - Coin in up 5%
  - Table games drop down 6.1%
  - Net gaming revenue up 4.2%
- Events and Promotions:
  - August
    - Kiosk Multiplier games every Tuesday
    - Camp 49 Hot promotional specials every Wednesday
    - Casino Hot Seats every Thursday
    - Fast Cash promotion Friday 5<sup>th</sup>, 12<sup>th</sup>, and 19<sup>th</sup>
    - Cash is King promotion Friday the 26<sup>th</sup>
    - Casino gift day every Saturday
    - Additional gift day on Sunday 28<sup>th</sup>
  - September
    - Kiosk Multiplier games every Tuesday.
    - Camp 49 Hot promotional specials every Wednesday.
    - Casino Hot Seats every Thursday.
    - Battle of the Mine promotion Friday the 2nd, 9th, 16th and 23rd.
    - Table Games Pick a Chip promotion every Friday.
    - Cash is King promotion Friday the 30th.

- Casino gift day every Saturday.
  - Outside concert Saturday the 10th and 24th. (Uncle Kracher and Trace Adkins)
  - Additional gift day on Sunday the 25th.
- Sports Wagering
  - Points Bet, Bet MGM, and Caesars are the mobile sports gaming platforms partners.
- Since August 12<sup>th</sup>, there has been 5 positive cases of COVID-19

COMMISSION ITEMS –  
OLD BUSINESS (F.)

There was no old business

COMMISSION ITEMS –  
NEW BUSINESS  
(G.1.)

Brandi White, Director of Administration, Finance and Budget presented the fiscal year 2023 and 2024 annual budgets on behalf of KRGC and the Kansas State Gaming Agency.

MOTION – APPROVE  
FISCAL YEARS 2023 AND  
2024 BUDGETS (G.2)

Commissioner Jones (Kultala) moved to approve the proposed fiscal year 2023 and 2024 budget for the Kansas Racing and Gaming Commission and the Kansas State Gaming Agency. Motion passed 5-0.

PUBLIC COMMENTS  
(H.)

There were no public comments.

STAFF REPORTS  
(I.1. and I.2.)

Garrett Rogers, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of August 2022.

- KRGC sent out a letter to every active VEP giving them an opportunity to include sports wagering in their exclusion agreement.

Todd Allen, Director of Sports Wagering, reported:

- In the first 8 hours after launch, 471,000 geo-compliance checks were made. Of those checks, 9,700 attempts to place a wager in the Kansas City, Missouri area were blocked.
- After the first full week, there were roughly 100,000 attempts from Missouri to place a bet in Kansas.
- Over opening weekend, 132,000 new users signed up.
- Geo-compliance can be accurate up-to 5 meters.
- Temporary sports regulations are still being reviewed by the Attorney General.

Executive Director Brownlee reported:

- KRGC joins the commissioners in welcoming Lydia Garvey and Alli Bair.
- Boyd Gaming has selected a new General Manager for the Kansas Star Casino, Doug Lang
- Currently working with the Attorney General's office to hire another attorney for the legal department.
- In the process of developing amended parimutuel regulations that goes with the historical horse racing regulations.
- The next commission meeting is scheduled for October 7, 2022 at the Topeka and Shawnee County Public Library beginning at 10:00am.

Chairman Moses asked for clarification on on-site sports wagering. Director Allen replied that he would need to review the legislation before answering. Executive Director Brownlee noted that the Kansas Lottery has a "catalog" of approved sports teams for sports wagering.

MOTION, EXECUTIVE  
SESSION; CONFIDENTIAL  
BACKGROUND REPORTS  
(J.1.)

Commissioner Kultala (Turnquist) moved that the Commission go into executive session for the purpose of reviewing confidential background reports presented today by the commission's security division. In addition to the commissioners, the confidential background reports portion included the executive director, general counsel, and director of security. The total time for the executive session was anticipated to be fifteen (15) minutes until 11:20 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 5-0, and the meeting was adjourned to executive session at 11:05 a.m.

RECONVENE  
(J.2.)

The commission meeting returned to open session at 11:20 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, Commissioner Kultala, and Commissioner Spalding present.

MOTION, EXECUTIVE  
SESSION; ATTORNEY-  
CLIENT PRIVILEGE  
(J.3.)

Commissioner Spalding (Jones) moved that the Commission go into executive session for the purpose of consulting with the agency's attorney on attorney-client privileged communications. In addition to the commissioners, the attorney-client privileged communications will

include the executive director and general counsel. After discussion, the total time for the executive session was anticipated to be thirty (30) minutes until 11:52 p.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried 5-0, and the meeting was adjourned to executive session at 11:22 a.m.

RECONVENE  
(J.4.)

The commission meeting returned to open session at 11:52 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, Commissioner Kultala, and Commissioner Spalding present.

MOTIONS ON LICENSE  
APPLICATIONS  
(K.1.)

Commissioner Turnquist (Spalding) moved to *deny two* license applications, and *approve the remaining 228* license applications from the September 09, 2022, list of background reports referred to the commission for action. The motion carried 5-0.

OTHER BUSINESS:  
VOLUNTARY EXCLUSION  
FORFEITURE HEARING  
(L)

General Counsel Judith Taylor presented VEP forfeiture hearing case number 2022-9011. K00316 was present for the hearing. Commissioner Kultala was unable to remain present for the entire hearing.

Commissioner Jones (Spalding) moved to uphold the findings of the Summary Proceeding Order in KRGK case number 2022-9011. Motion passed 4-0, Commissioner Kultala was absent.

Chairman Moses (Turnquist) moved to allow K00316 to reapply for removal from the VEP list without a waiting period. Motion passed 3-1. Commissioner Kultala was absent.

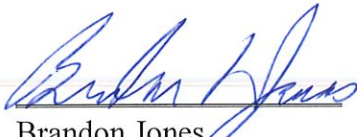
ADJOURNMENT  
(M.)

There were no other items for discussion or motion.

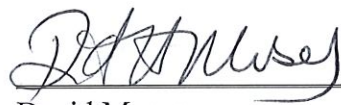
Chairman Moses stated that the October 07, 2022 commission meeting will begin at 10:00 a.m. for an in-person meeting at the Shawnee County Public Library in Topeka, Kansas.

Commissioner Jones (Spalding) moved to adjourn the meeting. Motion passed 4-0, Commissioner Kultala was absent. The meeting was adjourned at 1:32 p.m.

SUBMITTED BY:

  
Brandon Jones  
Commissioner

APPROVED BY:

  
David Moses  
Chairman